



**GREATER MADISON CONVENTION & VISITORS BUREAU  
& MADISON AREA SPORTS COMMISSION  
2017 DESTINATION SALES & MARKETING  
INVESTMENT PROPOSAL**

*PRESENTED TO CITY OF MADISON*

*JULY 20, 2016*

# 2017 INVESTMENT PROPOSAL



The Greater Madison Convention & Visitors Bureau (GMCVB) and Madison Area Sports Commission appreciate the investment in our work that drives the visitor economy – an economic development effort that supports the City of Madison and the Monona Terrace Community and Convention Center.

We strive to present Madison and tourism assets of the destination effectively to prospective visitors. We continue to monitor and assess our competition and review our work processes to ensure that we focus on the best target market segments and destination opportunities.

We are excited about moving forward with Judge Doyle Square and the potential for a new hotel to support Monona Terrace. As the timing of this project evolves, we expect to work with both the City and the developer to ensure that we have sufficient information in advance of the opening to include the hotel in our sales and marketing efforts. We also will work closely with the city to address any disruption in parking that occurs as the project takes place.

This document provides an overview of our 2015 and year to date 2016 destination sales and marketing activities and sets the stage for our plans for 2017.

We look forward to working with the City of Madison and our partners at Monona Terrace for the remainder of this year and in the next to continue to deliver excellent economic impact benefits for all.

Deb Archer, CDME  
GMCVB President & CEO

A handwritten signature in black ink that reads "Deb Archer". The signature is written in a cursive style with a large initial "D".

Lynn Hobbie

A handwritten signature in black ink that reads "Lynn A. Hobbie". The signature is written in a cursive style with a large initial "L".

## WHO WE ARE, WHAT WE DO

### WHO WE ARE

The Greater Madison Convention & Visitors Bureau (GMCVB) is an **economic development entity** that engages in strategic and dynamic activities to **generate economic impact through tourism.**

### WHAT WE DO

The objective of the GMCVB is to increase visitor volume and spending by **bringing convention, event and leisure business to the area.** We do this by:

- > Attracting new events to the community – including conventions and tradeshow through direct selling and marketing activities
- > Providing service and support to existing and repeat events
- > Giving comprehensive information to visitors and prospective visitors
- > Promoting the destination and brand nationally, regionally and locally

## WHY IT MATTERS

A recent study conducted by Oxford Economics analyzed the performance of cities who invest in tourism and identified these key findings:

- > States and cities across the U.S. invested \$2 billion in destination promotion in 2013, which is warranted based on the size of the visitor economy.
- > However, the dividends of destination promotion extend far beyond the visitor economy.
- > Why? Destination marketing drives broader economic growth by building air service, creating familiarity, attracting decision makers, and improving the quality of life.
- > As a result, cities and states that prioritize destination marketing and coordinate these efforts with economic development initiatives have experienced significant site relocations and new investments as a direct result.
- > Destinations that outperform their peers in attracting visitors tend to outperform in the overall economy.



## GMCVB INVESTMENT REQUEST SUMMARY

- > Greater Madison CVB Base Funding: \$ 3,504,000
- > Monona Terrace Event Assistance Booking Fund: \$ 250,000

## SUPPLEMENTAL INVESTMENT REQUEST

- > Judge Doyle Square Transportation/Parking Assistance Fund \$ 0  
At this time we are not requesting any additional funds for potential transportation assistance. We will closely monitor the groups that may have parking disruption due to JDS construction.

\* Assumes the GMCVB receives 24% of the 2016 Room Tax Collections forecast at \$14,600,000

## INVESTMENT PLAN SUMMARY

Continued investment in tourism promotion allows our organizations to present Madison to convention , events and trade shows to meeting planners and sports event rights holders as well as leisure visitors. We are requesting investment of TOT collected revenues to support two key areas of tourism marketing and promotion for 2017:

- >Continued Investment in GMCVB sales and marketing for Madison and Monona Terrace through a contracted allocation of 24% of 2016 Room Tax Collections
- >Increased support of convention and event booking assistance funding to enhance our ability to secure Monona Terrace business.

We remain committed to investing our resources wisely, and delivering a strong return on investment for the trust in us that the City's investment represents.

## INVESTMENT PLAN: GMCVB SALES AND MARKETING

Our base investment plan reflects the contract terms that have been proposed for 2017 between the GMCVB and the City of Madison. The proposed terms reflect base funding of 24% of Transient Occupancy Tax receipts.

### **Base Investment \$3,504,000\* (\$3,259,000+\$245,000 in performance incentives)**

Investment from the City of Madison supports essential GMCVB tourism-based economic development activities, including:

- > Direct selling to achieve contracted future events for Monona Terrace
- > Direct selling that results in promotion and future room bookings for Madison hotels – including proposed hotel at Judge Doyle Square - contributing to TOT collections for future investment in tourism promotion and tourism development
- > Promotion and future event sales for other Madison venues that complement Monona Terrace
- > Marketing and promotion of Madison as a convention, events and leisure destination
- > Publicity/public relations plans (including work with travel & trade writers, press releases) in support of the City of Madison, Madison as a visitor, convention and event destination, Monona Terrace (venue and tourist destination), cultural attractions, local events, local restaurants and attractions.
- > Development and maintenance of a robust web-site, social media presence and publication of visitor guides.

\*Assumes \$14,600,000 million TOT receipts in 2016

## INVESTMENT PLAN: ENHANCED BOOKING ASSISTANCE

In addition to the base funding that will be provided we request that the City increase the Monona Terrace Event Assistance Booking Fund (MTBEAF) for 2017.

We continue to see an increase in demand for event funding assistance, and have every indication that this trend will continue into the foreseeable future. This fund was last increased in 2012 when it represented 1.8% of Room Tax Collections. We are requesting an increase in the allocation to bring the amount to 1.7% of 2016 Room Tax Collections.

Securing additional funding for this assistance will allow the GMCVB, MASC and Monona Terrace sales teams to compete effectively in securing high ROI business for our destination.

### **Monona Terrace Event Assistance Booking Fund: \$250,000**

In addition to the City's investment in the GMCVB, we recommend the City increase its current allocation for event assistance to \$250,000 of the TOT and approve this increased investment as part of the Operating Budget to serve as an additional tool to secure future business for Monona Terrace.



## Madison Area Sports Commission INVESTMENT REQUEST SUMMARY

> Madison Area Sports Commission: \$ 150,000

We are requesting a direct investment in MASC sales and marketing for Madison and Monona Terrace through an allocation of \$150,000 of Room Tax Collections. The MASC celebrated its fifth anniversary in 2015. MASC has demonstrated the value of sports tourism to this community – generating over \$45 million in direct spending in our community since its inception.

In 2015 MASC contributed over 15% of the contract revenue goal for Monona Terrace and represented over 28% of the Direct Spending in our community.

MASC is supported through room tax contributions from several surrounding communities as well as Dane County, and has multi-year contracts for that support. To date, direct support from the City of Madison has been in the form of a one year grant in 2015. We are asking for another one year grant for 2017, and will begin discussion of a multi-year contract for future years.

### INVESTMENT PLAN: MADISON AREA SPORTS COMMISSION

Our investment plan reflects continued investment in the Madison Area Sports Commission to secure sporting events and competitions for Madison and Monona Terrace.

#### **Base Investment \$150,000**

Investment from the City of Madison supports essential MASC economic development activities, including:

- > Direct selling to achieve contracted future events for Madison and Monona Terrace, such as Ironman WI, 70.3 Half-Triathlon
- > Promotion and future event sales for Madison venues such as Breese Stevens and other City of Madison Parks.
- > Direct selling that results in promotion and future room bookings for Madison hotels – contributing to TOT collections for future investment in tourism and tourism development and support of the City general funds
- > Marketing and promotion of Madison as a sports destination and City of Madison Parks department events
- > Publicity/public relations plans (including work with travel & trade writers, press releases) in support of the City of Madison, Madison as a visitor and sporting events destination
- > Development and maintenance of a robust web-site and social media presence serving visitors and residents.

# THANK YOU

- > For your investment in destination development and marketing.
- > For your vision and goals for economic development for Madison.

# APPENDIX

## 2017 INVESTMENT PROPOSAL



Tourism spending **brings new money** into our community – supporting jobs and generating sales revenues, income and tax benefits for our community that otherwise would not be present.

> In 2015, Dane County **visitor direct spending totaled \$1.15 billion – a 6.2% increase from 2014** - generating total business sales of over \$1.98 billion

> Tourism spending **supports over 21,000 jobs** – of all levels **and** all abilities in Dane County and is an excellent “ladder” career/profession

> Tourism spending in Dane County **contributed \$148 million in state and local taxes** – a **4.3% increase over 2014**

> In the absence of the state and local taxes generated by tourism, each Dane County household would need to pay **\$700** to maintain the current level of government services.

## 2016 DESTINATION LEADERSHIP ACTIVITIES

### INDUSTRY REPRESENTATION WITHIN THE STATE OF WISCONSIN

- > Wisconsin Governor's Council on Tourism
- > Department of Tourism: Lead Meetings & Convention (M&C) Committee
- > Serve on WACVB & Department of Tourism Sports Marketing Committee

### MADISON AND DANE COUNTY REPRESENTATION WITHIN THE STATE

- > Board of Directors, WI Association of Convention & Visitors Bureaus (WACVB)

### MADISON AND DANE COUNTY REPRESENTATION NATIONALLY

- > Destination Marketing Association International(DMAI) – serve on Education Committee, Sales & Marketing Committee
- > Attend DMAI's Annual Convention, CEO Forum, CMO Forum and Convention Sales Forum

### ORGANIZATIONAL LEADERSHIP ENGAGEMENT

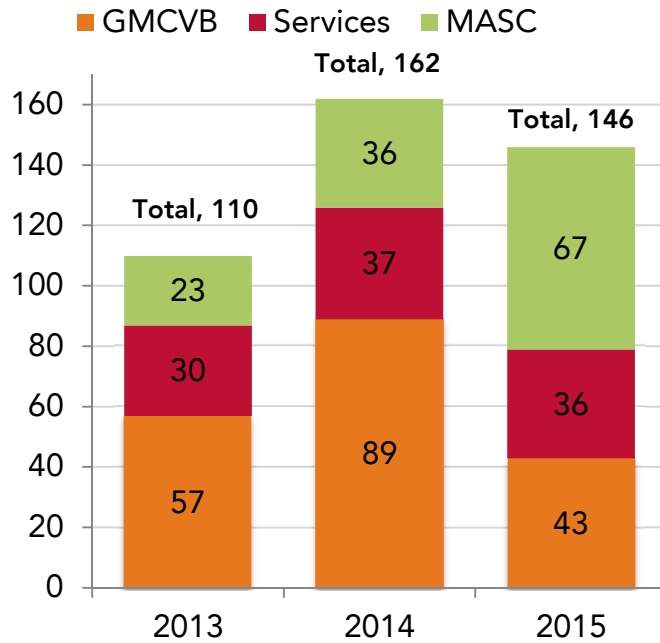
- > Judge Doyle Square development
- > Alliant Energy Center Task Force & Strategic Design Committee
- > Madison Festivals Board of Directors
- > DMI Quality of Life Downtown/Safety Committee
- > Badger Air Community Council

# 2017 INVESTMENT PROPOSAL

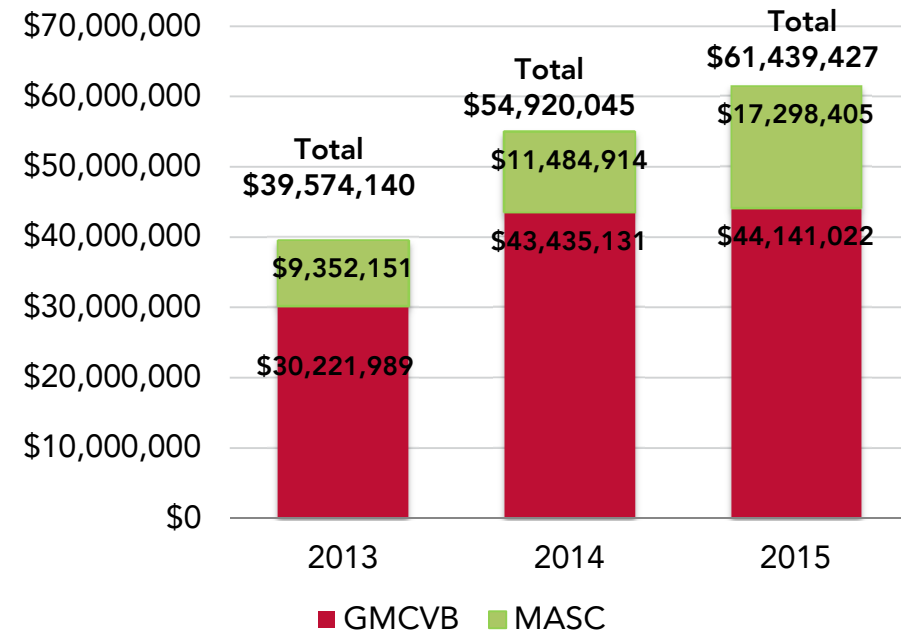
## ALL GMCVB & MASC CONFIRMED EVENTS: 2015

The GMCVB and MASC sold **146 events** in 2015 that will generate an estimated **\$61.4 million in economic impact** in future years.

All Confirmed Events



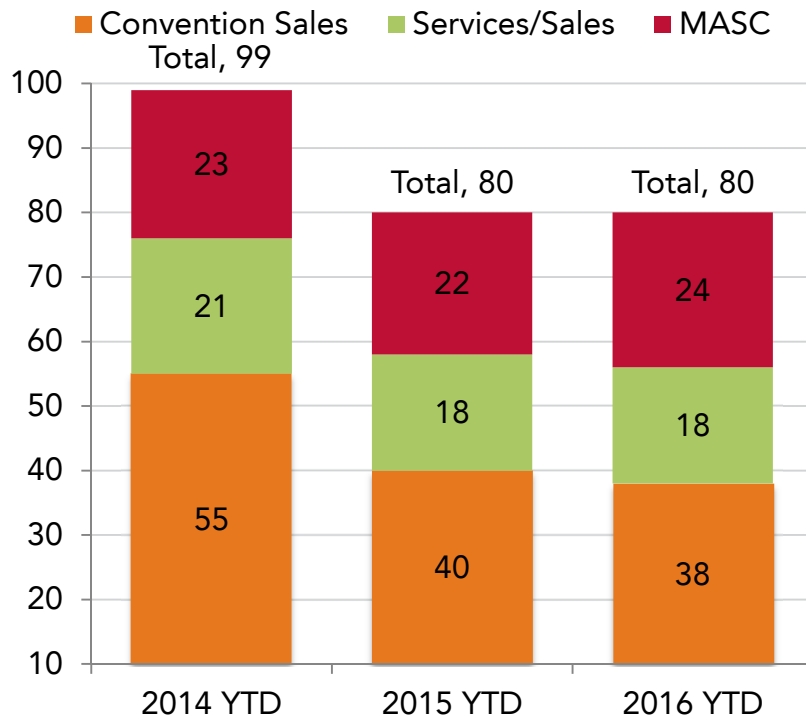
Direct Spending for All Confirmed Events



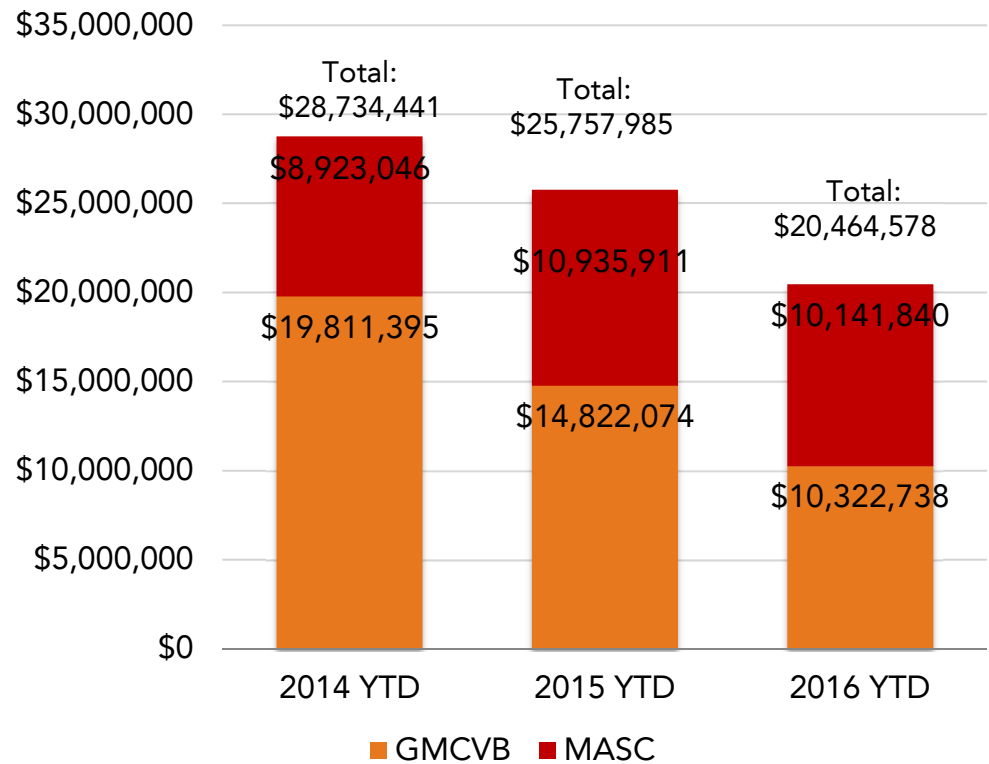
# 2017 INVESTMENT PROPOSAL

## ALL GMCVB & MASC CONFIRMED EVENTS: JAN- JUN 2016

All Confirmed Events



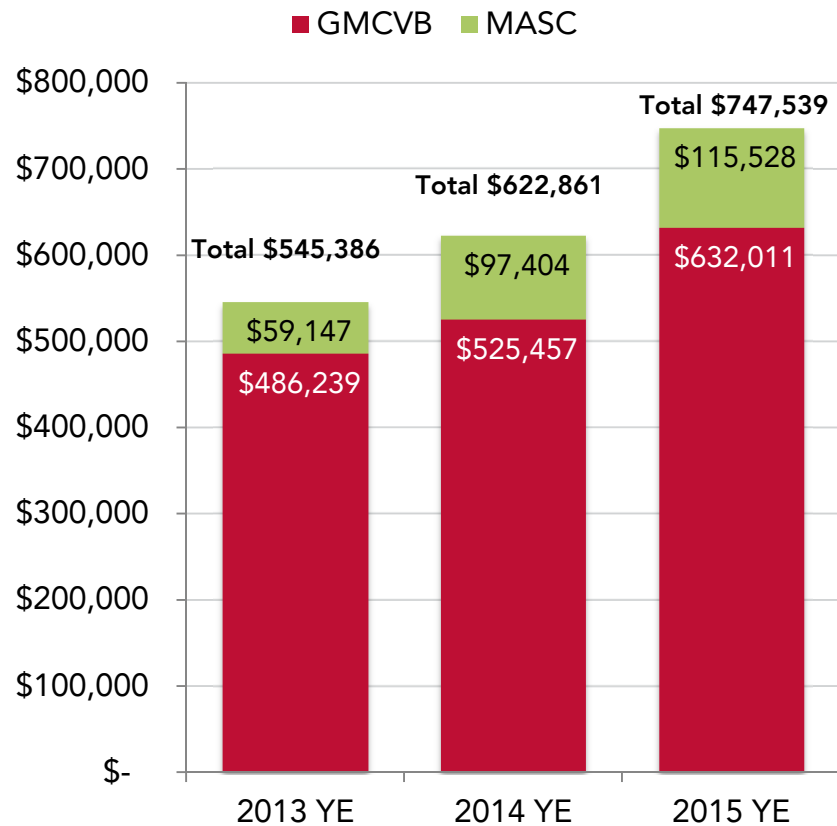
Direct Spending for All Confirmed Events



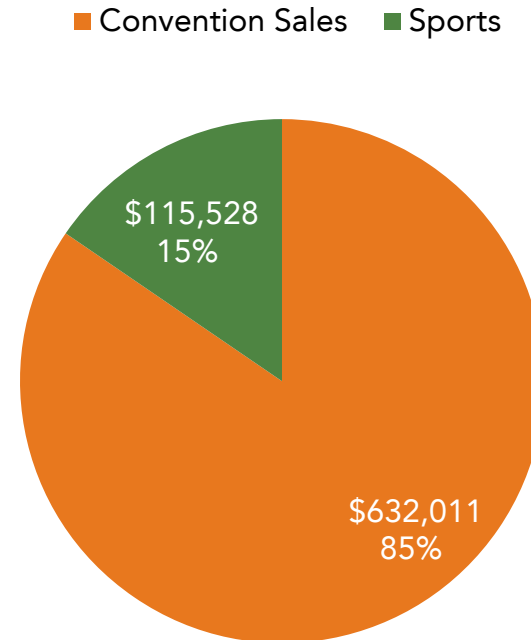


## 2015 YEAR END: MONONA TERRACE CONTRACT REVENUE FOR GMCVB & MASC

**Monona Terrace Contract Revenue**  
Goal: \$745,000  
100.34% goal achieved



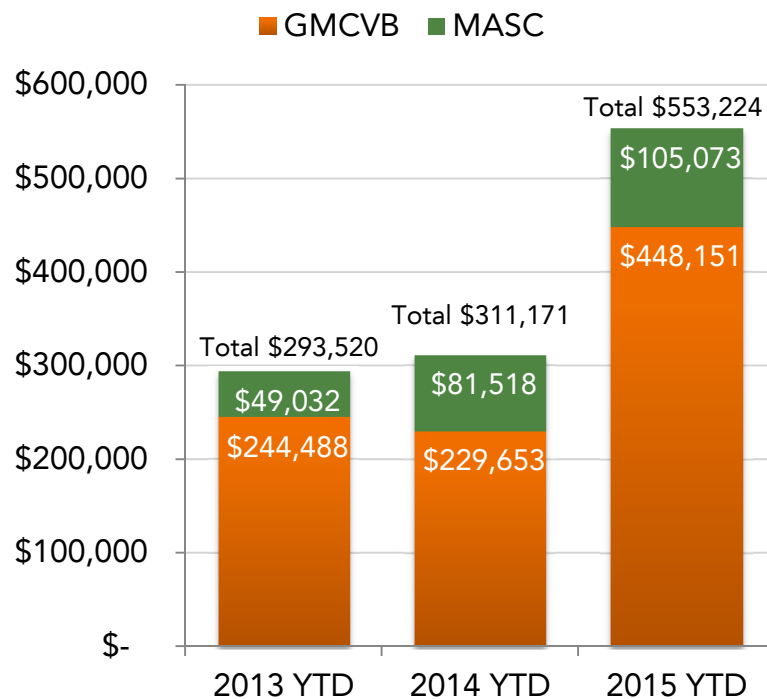
**MT All Contracted Events Breakdown 2015 YE**



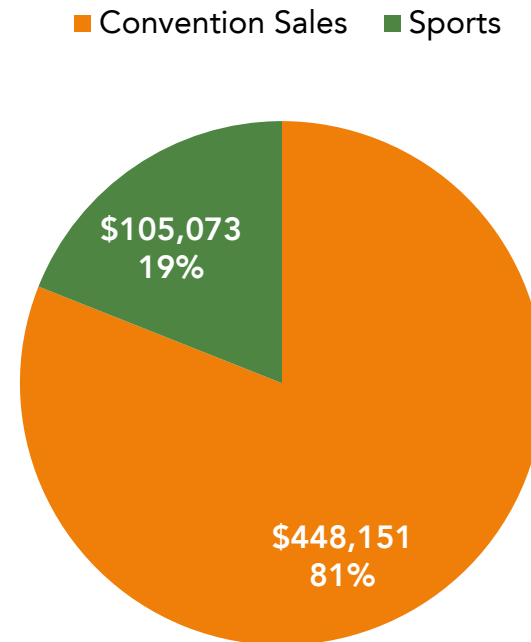
# 2017 INVESTMENT PROPOSAL

## 2016 YTD MONONA TERRACE CONTRACT REVENUE FOR GMCVB & MASC

**Monona Terrace Contract Revenue**  
**Goal: \$745,000**  
**74.3% goal achieved**

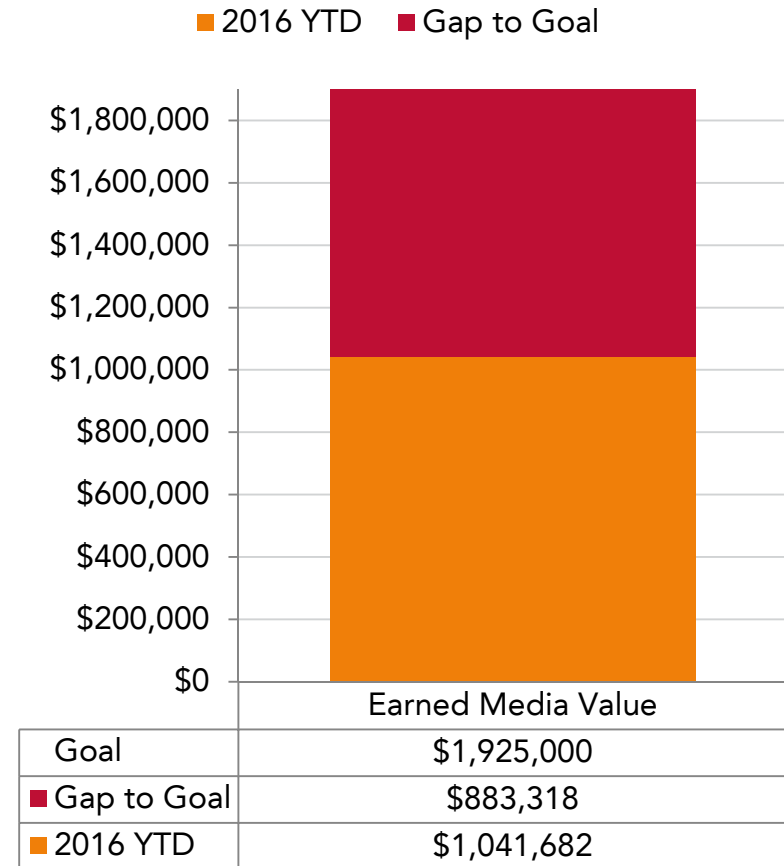
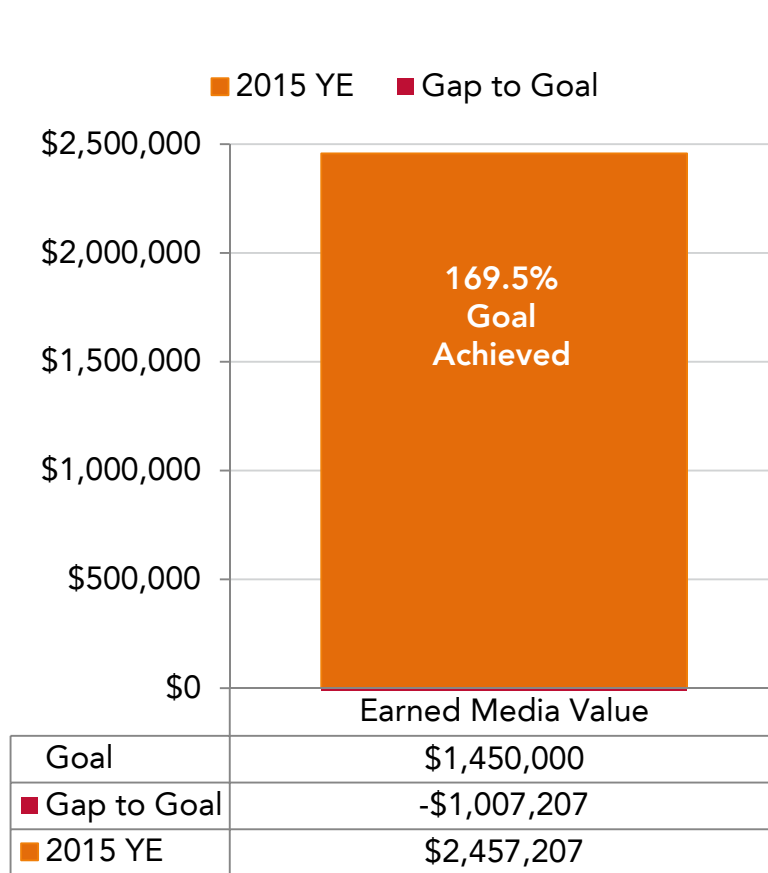


**MT ALL CONTRACTED EVENTS BREAKDOWN**  
**2016 YTD**



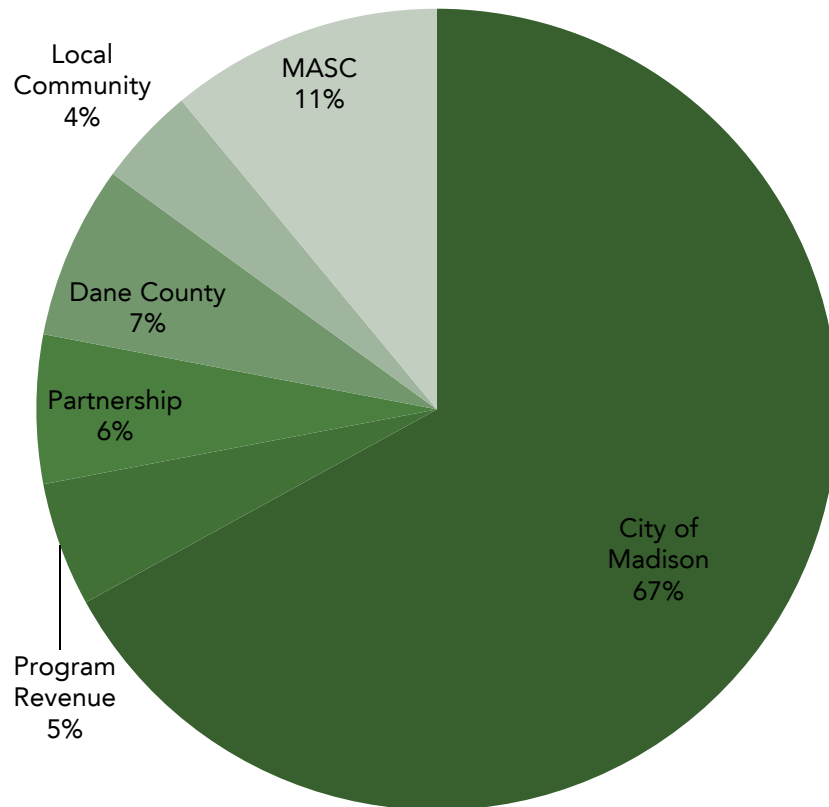
# 2017 INVESTMENT PROPOSAL

## PUBLIC RELATIONS ACCOMPLISHMENTS: 2015 and 2016 YTD

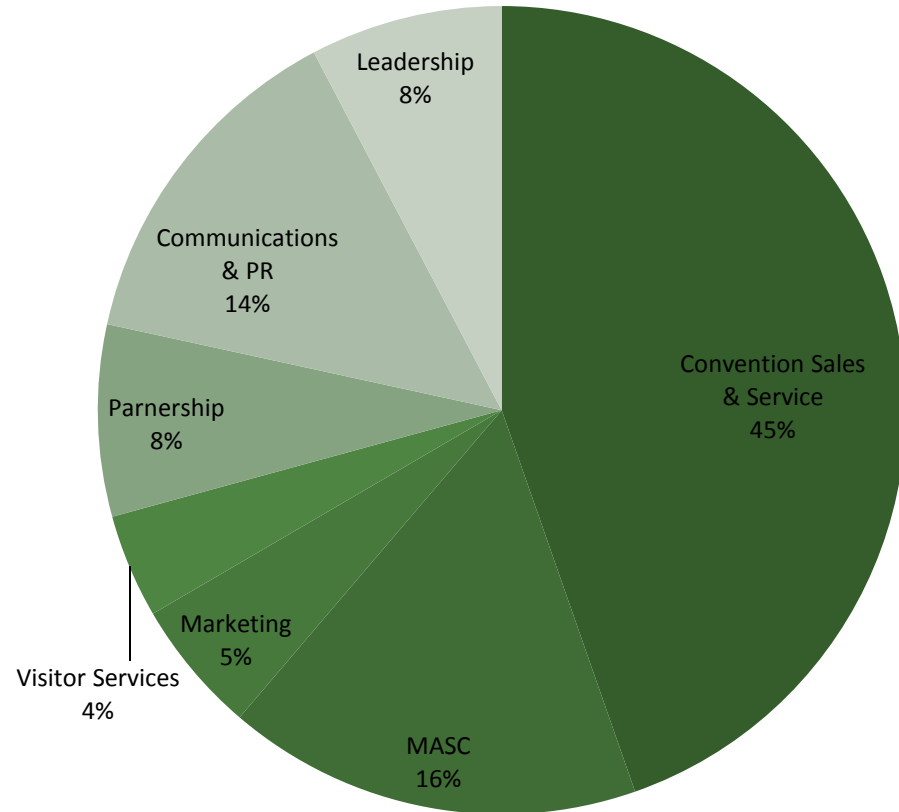


## GMCVB 2017 REVENUES & EXPENDITURES

### 2017 Revenues

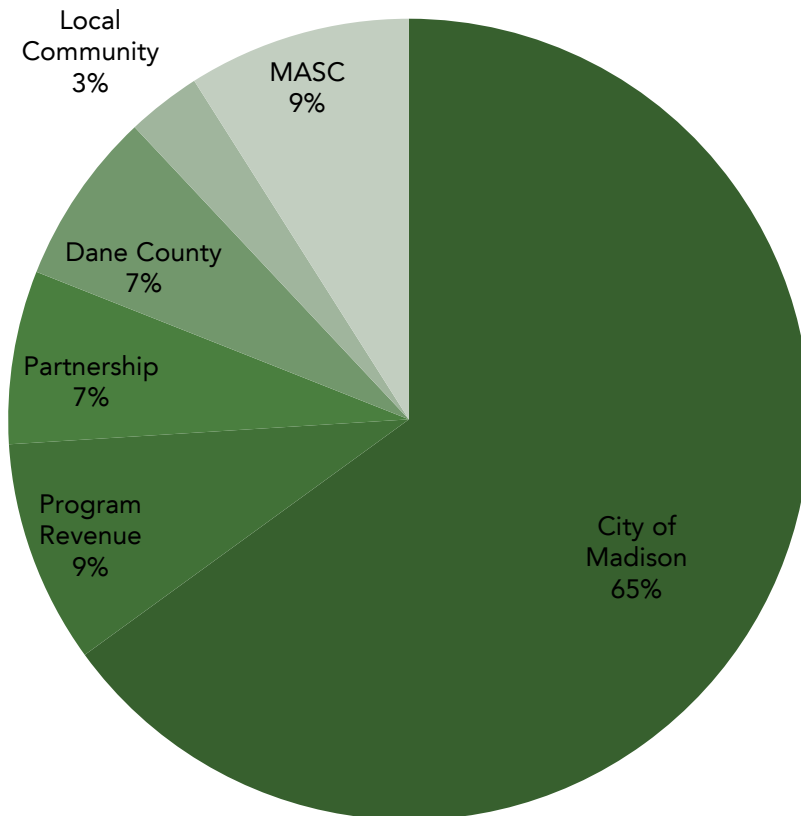


### 2017 Expenses



## GMCVB 2016 REVENUES & EXPENDITURES

2016 Revenues



2016 Expenses

